Statement

By

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"The Animal and Plant Health Inspection Service along with its sister agency the Food Safety Inspection Service carefully reviewed the new report from the Office of the Inspector General regarding the importation of certain beef products from Canadian cattle under 30 months of age that occurred from August 2003 to April 2004.

"Both APHIS and FSIS agree with the report and are currently enacting the recommendations made by OIG. The report identifies weaknesses in the processes for issuing permits and communications within and between APHIS and FSIS. It does not question the safety of the products that were imported, as at no time was any product allowed in under permit without meeting the proper food safety safeguards.

"While APHIS intends to take additional steps to ensure that all import policy changes are immediately posted on the APHIS website and efficiently distributed. APHIS already employs several mechanisms for communicating policy changes to interested parties, including importers, Congress, and the public. These include:

 Posting "Dear Importer" letters on its web page to notify interested parties of changes to import policy;

- Issuing alerts to agency port personnel and Department of Homeland Security

 Customs and Border Protection personnel, which is then provided to all interested parties;
- Notifying personnel internally, in the field and on the border of any and all changes;
- Providing frequent policy updates to Food Safety and Inspection Service
 (FSIS) colleagues through e-mail and facsimile transmissions; and
- Working with Congress to ensure that legislators are aware of import policy changes.

"In response to the OIG report and the overwhelming number of permits submitted to APHIS during the Canada BSE crisis, APHIS intends to revise its import/export tracking system, including adding a new mail-in database to document policy changes, product certifications, and permit guidelines, to ensure that permit issuance and consistency is properly monitored by the end of February 2005 (the database will be online in March).

"APHIS is in the process of developing new procedures for notifying applicants of APHIS permits to remove or revise material and explaining the reasons for this decision more expeditiously. This process should be completed by mid-March. In addition, APHIS is also developing an online system to ensure that APHIS permits are

cancelled or amended, as necessary in a timely manner. This new system will be up and running in January 2006.

"In regards to APHIS ensuring that risk mitigation measures are attached to permits, APHIS intends to strengthen its current system to allow for a larger number of permits to be handled within a limited time frame. To do this, APHIS will:

- Hire additional staff as funding allows to handle in any future situations where a large number of permits are received in a limited amount of time (such as during the Canada ruminant ban);
- Review protocols and refine quality control measures to improve handling of large volume permit application by March 2005.

"In order to ensure that mitigation measures are being applied at facilities that request permits, APHIS agrees with the OIG that a monitoring process which includes onsite reviews of permit holders, foreign facilities and inspection personnel at U.S. ports of entry is necessary. However, it is important to note that nearly all permits issued indicate that exporting facilities are always subject to APHIS inspection. APHIS reserves the option for on-site monitoring – in any country or regions – if it becomes necessary. It is not necessary, nor feasible, to conduct inspections of all permit holders or foreign facilities. The process should focus on permit holders and foreign facilities, which do not have an established record of compliance.

"In order to better oversee these permit applications, APHIS and FSIS are developing procedures that will require consistent terminology when identifying products and better communication between the Agencies in this regard. This will help prevent any misunderstandings that could lead to improper importation of animals or animal products.

"In addition to communications between the agencies, FSIS will develop a process to ensure that a clear message on the specific eligibility of products is presented to interested parties. APHIS has already begun this process by notifying permit holders that cheek meat will not be allowed under the current permit structure. It will be allowed in when the final rule goes into effect on March 7.

"We are pleased with the swiftness of OIG's audit and will implement their recommendations as quickly as possible to further augment USDA's existing BSE regulatory regimen that has safely protected the U.S. livestock population from BSE for more than 15 years."